

GLOBAL POPULATION AGEING A CELEBRATION AND A CHALLENGE The Case of Indonesia

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URINDO, 5 June 2025: Celebrating National Older Person's
Day

Let's celebrate



Living longer with quality and dignity

The current seniors are luckier

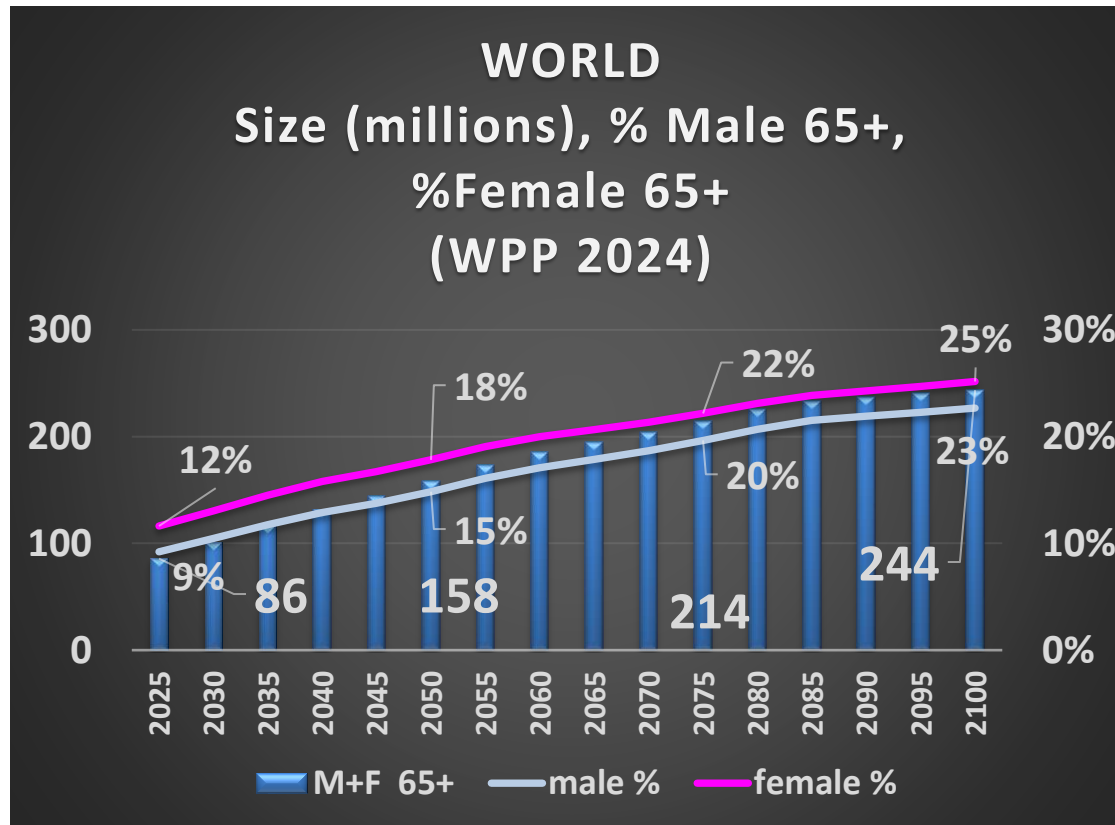
- Living longer, healthier, better education, better nutrition compared with the previous generations.
- Less dependent to other persons, more independent in doing daily activities.
- Active in social and religious participation.
- Feeling to be needed and active within the family.
- Becoming role model for the children, grand children, neighbours and community at large.
- The future of our elderly will have much-much better characteristics (should be ready toward becoming old).

Paradigm shift: we are the new old

- Paradigm shift from dependent to healthy, independent, active to participate in social, economics and religious.
- Highly potential to continue life independently with quality and dignity with new life style
- On the other hand, this also increasing need for health care and information related.
- This facilitated by IT with wider access on information, looking for old friends or even work opportunity suitable for elderly.

The World Population is Ageing

The World Population is Ageing



- Now 86 million of older people age 65+ live in the world. Increasing to 158 million in 2050 reaching 244 million in 2100.
- The share of older women 12% exceeds the men, 9%, increase to 18% women and 15% men in 2050, and to 25% and 23% in 2100.
- Global life expectancy at birth 73.3 years in 2024, increase to 77 years in 2050 and to 81.7 in 2100.
- The impact on day-to-day life is profound.

What and Why Population Ageing?

What is population ageing?

- If in a country, the proportion of people age 60 years and above is equal or above 10 percent to total population, this country reaches population ageing.
- Why population ageing?
 - Economic growth, increase in standard of living, improvement of hygiene, sanitation, medical technology, health system → lower mortality rate
 - Increase in people education, urbanization further reduce mortality and fertility rate
 - Most people now live longer than previous generations.
- This presents opportunities for more people to make the most of longer lives

New Global Population Issue: Low Fertility and Population Ageing

- Economic, social and health development, urbanization, increase in people's education, women entering labor market, access to family planning, not only reduce mortality rate but also led to smaller family sizes and fewer births.
- Individuals aged 60 and above are growing in number and outnumbering younger people, leading to population ageing.
- These shifted the global population issues: **from fear of population explosion to the risk of depopulation caused by declining fertility continuously.**

How old is older? 60 or 65 years+?

- UN: age 60 is described as “older” people (WHO 2002).
- But this may seem young in countries where life expectancy is high.
- Chronological (calendar) age is not a precise marker for the changes that accompany ageing.
- There are variations in health status, participation and levels of independence among older people **of the same age**.
- This has to be taken into account when designing policies and programs for their “older” populations.
- Enacting broad social **policies based on chronological age alone can be discriminatory and counterproductive to well being in older age**

The Impact of Ageing

Economic and Income Security
Health
Social, Living Arrangement and
Caregiving

Economic Implications

Economic and Social Implications of Global Ageing

- Hampering **economic growth and fiscal position**
- Developed countries: shrinking of the workforce → lower productivity, declining domestic consumption, lower investment for development → alarming economic growth.
- The developing countries, which are also ageing: old age poverty, income security, increase in health expenditure → needs social protection → reducing fiscal capability.
- The challenge: **How to increase social protection while maintaining economic growth?**

Economic Security in Old Age and Pensions (ADB 2024)

- Family transfers still the main income to support older people. Covers 30% of older people's income in most Asian economies
- Changing social norms may alter these arrangements in the future.
- Making financial preparedness, ageing preparedness, are increasingly **critical to keep older persons out of poverty.**

What is financial preparedness for retirement (ADB 2024)

- Financially **prepared** if income (including assets) **meets consumption needs** for older persons for the expected duration of retirement.
- Index of financial preparedness: pre-retirees (5 yrs before)
 - 86% in Japan and 73% in India,
 - 64% in the Cina and 58% in South Korea.
 - PRC 44% f rural residents prepared, 82% of urban
- India, Cina, and South Korea, 80%–90% of financial resources for retirement come from **private income and assets, not public pensions or social assistance.**

Contributory pensions

(ADB 2024)

- It is pension derived from contribution made by the retirees during their working time: Indonesia JHT, ASN deducted from monthly salary.
- Asian Countries: Low coverage among older people (19%).
- Older Women and Older Rural residents have lower coverage.
- Noncontributory **social pensions** are a widespread response to low formal pension coverage.
- Coverage of social pensions much higher than that of contributory pensions, reaching 46% of older persons.

Poverty Rate Decline but Still High for Older Persons (ADB 2024)

- In many regional economies, relative poverty rates for older people exceed those of the entire population.
- Extreme poverty among older persons 65+ is found in 22 economies in developing Asia
- Poverty decline mirrored a reduction in poverty across all age groups.
- Meaning that policies and programs to eliminate poverty not yet focused on old age poverty.

Older persons' employment (ADB 2024)

- Pervasive informal employment and stark gender inequality further impede well-being in old age.
- Up to 94% of workers aged 65+ in the region are employed in the informal sector.
- Informal workers enjoy little or no paid leave, disability allowance, or access to pensions.
- Many have little choice but to work as long as their health permits.
- Women can expect to live longer than men but are more prone to disease and therefore face insecurity in old age.
- Time spent on housework and family care constrains women's economic opportunity and leaves them more vulnerable in old age.

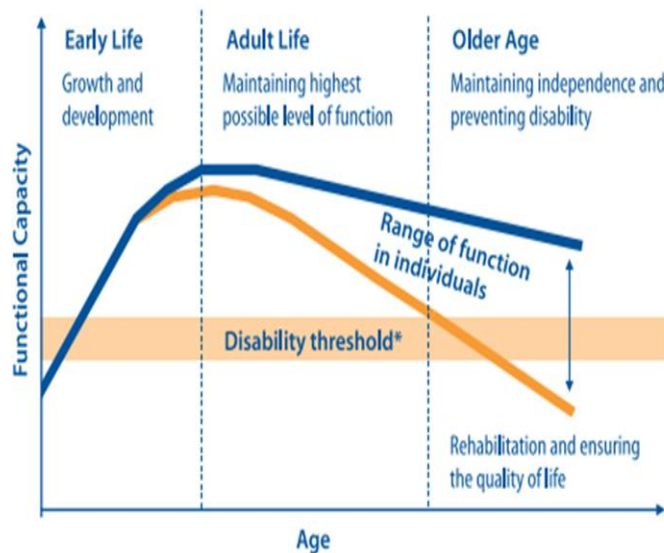
Health Implications

Health Implications of Global Ageing

- As people aged, functional capacity declines: physical, cognitive, mental health → increase dependency of older people to do activity daily living.
- Increase in medical cost, non-medical cost, caregiving cost
- The challenge:
 - How to maintain good health for older people to **remain independent** and actively participate in family and community life.
 - **Lifelong** health promotion and disease prevention reducing risk of developing noncommunicable and chronic diseases, including heart disease, stroke and cancer.

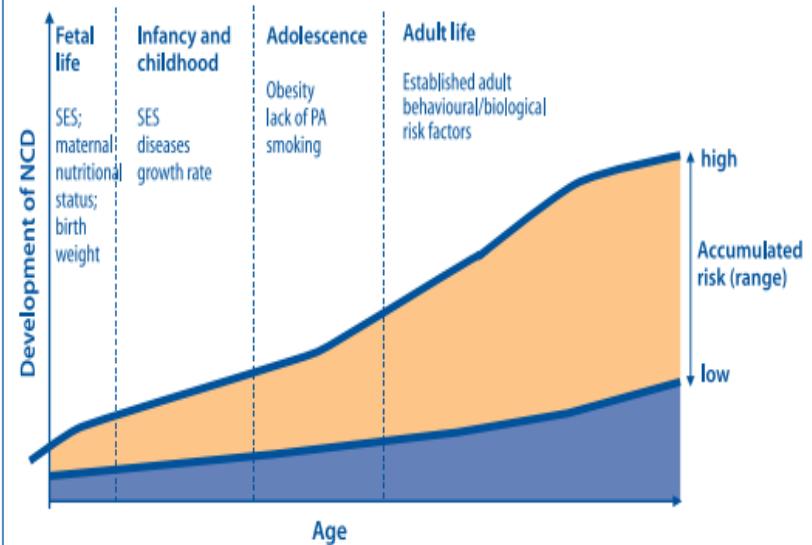
A life Course Approach to Promote Healthy and Active Ageing (WHO 2002).

Figure 4. Maintaining functional capacity over the life course



Source: Kalache and Kickbusch, 1997

Figure 7. Scope for noncommunicable diseases prevention, a life course approach



SES: socioeconomic status PA: physical activity

Source: Aboderin et al., 2002

Source WHO 2002, Active Ageing Framework.
SES= Socio Economic Status; PA= physical Activity

Life Course Approach to Promote Healthy and Active Ageing

- A life-cycle and lifelong approach to policy will help to ensure the well-being of older people.
- Four key dimensions of old age well being: health, productive work, economic security, and social engagement.
- Physical and mental health keeps older people productive, economically secure, and socially engaged.
- But this **depends on choices** individuals make over a lifetime, not just in old age.
- Governments can adopt policies and programs that encourage and enable choices that promote well-being in later years. Both for the younger and older.

Family, Care and Social Engagement

- Older people spend more time at home and in their community upon retirement and other responsibilities.
- The incidence of older persons live alone is increasing, risk of loneliness, stress and depression.
- The role of family in supporting financial and emotional of older persons is important. Especially for older persons who have functional limitation and need for long-term care (LTC).
- Family and caregivers can help older persons to actively participating in social activities and building meaningful relationships.
- Living arrangement shed some lights on the potential availability of LTC

Indonesia is in the Era of Ageing Population

Sources:

UN Population Prospect 2024

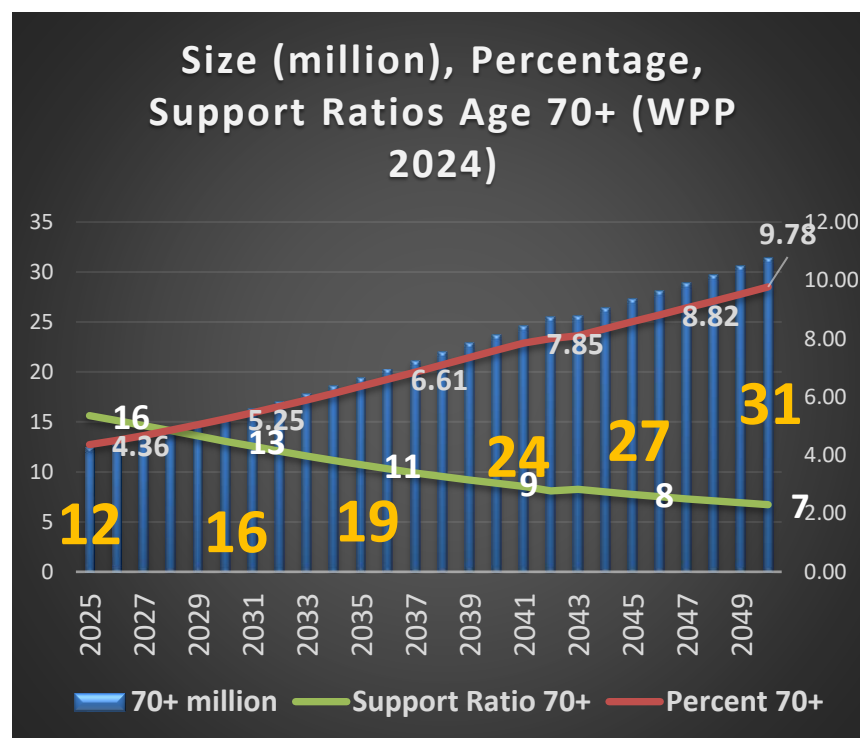
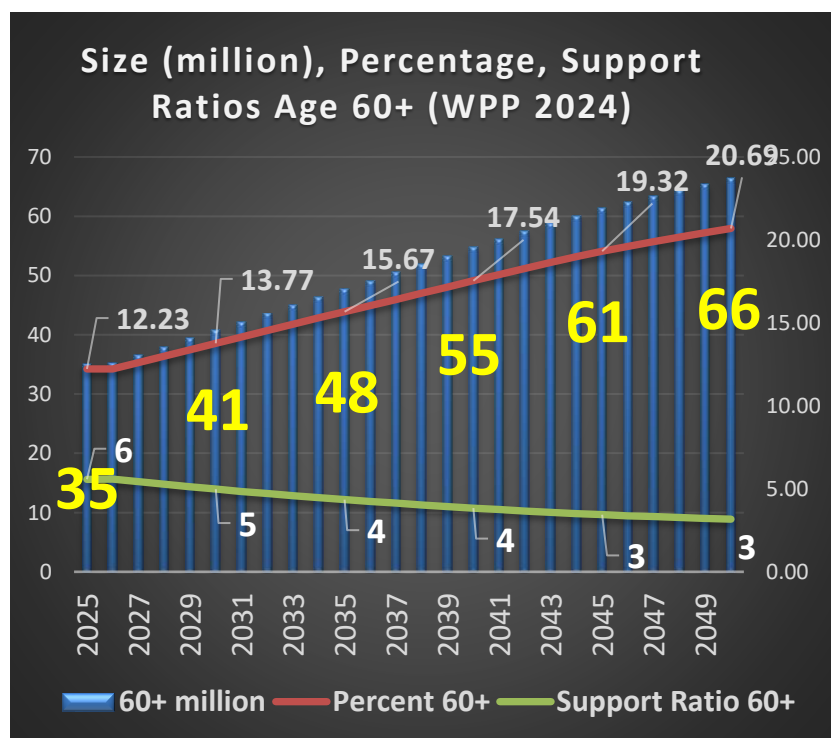
BPS Statistics Indonesia, Various Years

SKI/ (Indonesia Health Survey) 2023

IFLS/Indonesia family Life Survey Various Years

ILAS/Indonesia Longitudinal Ageing Survey 2023

Increasing Size and Percent Older People Declining Support Ratios age 60+ and age 70+



Older people age 60+

- In 2025 there are 35 millions people age 60+, increase to 48 and to 66 millions in 2035 and 2050.
- By 2050 there will be one out of five Indonesian is older person 60+.
- The support ratio: number of workers to support ONE older person 60+ will decline from 6 workers in 2025, to 4 in 2035 and to only 3 workers in 2050, to support one older persons age60+

Older people age 70+

- In 2025 there are 12 millions people age 70+, increase to 19 and to 31 millions in 2035 and 2050.
- By 2050 there will be one out of ten Indonesian is older person 70+.
- The support ratio: number of workers to support ONE older person 70+ will decline from 16 workers in 2025, to 11 in 2035 and to only 7 workers in 2050, to support one older persons age60+
- If the 60-69 people are healthy and productive to support One older person age 70+

The Young Old 60-69 will be able to support their 70+seniors, if:

- If and only if they are healthy and employed in a formal sector works
- But, the health status of an elderly, is accumulated since the early life.
- Through healthy life behavior and good nutrition.
- There fore, it is important to engage a life course approach to promote healthy and active ageing (WHO 2002, reiterated in the G20 Ministerial Meeting Okayama 2019).

Economic Situation of Older Indonesians

Unlike the Developed World, Indonesia Enjoys Large Number of Working Age Population

- In 2025 the total population is 284 millions, among which 205 million aged 15-64 years old.
- Ideally, large number of worker produces large GDP and promote Economic Growth.
- It is proven that in 2024 Indonesian GDP ranked 16 (*IMF World Economic Outlook Database 2024*). But declines to rank 102 when population is accounted for.
- Meaning that productivity of workers is low, unable to contribute to the welfare of the entire population
- This is true when we look at older persons' economic conditions.

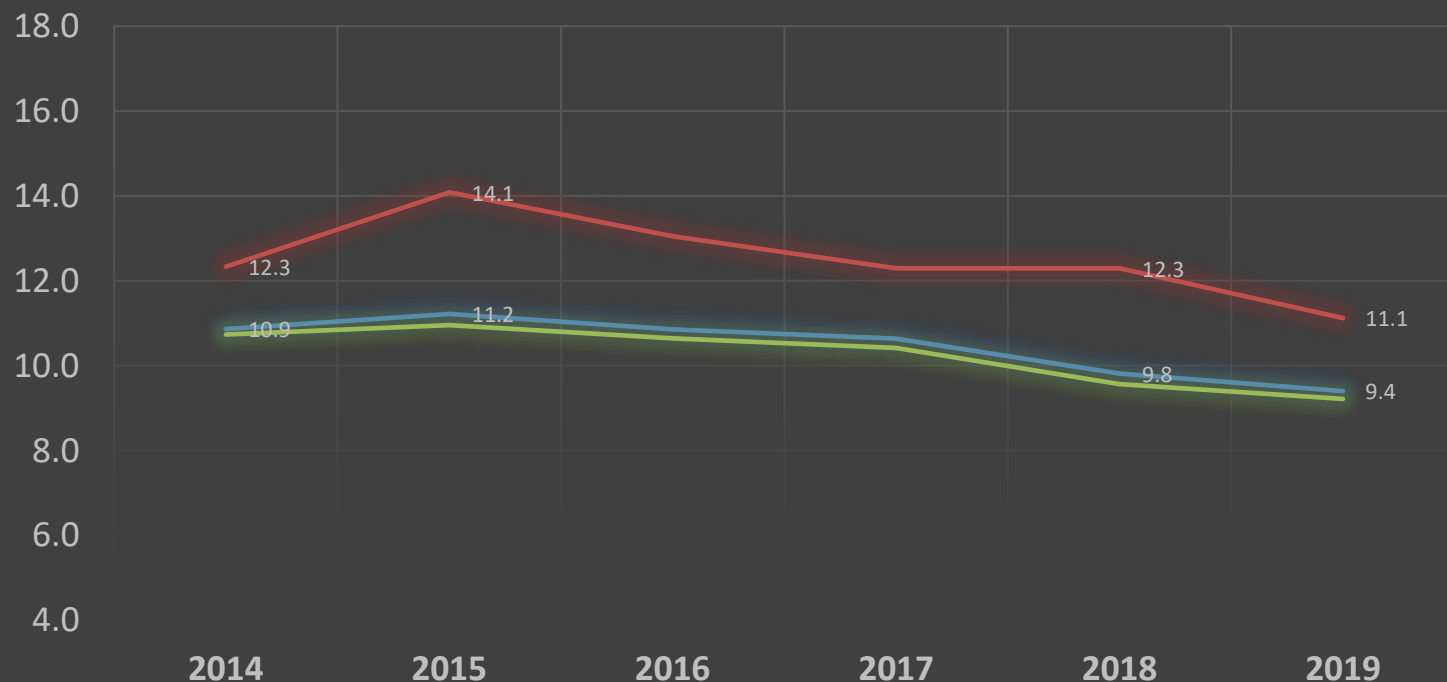
The Profile of Indonesian Older Persons

- The current older persons have low or no education, cohort effect. The universal primary education has not started till 1973.
- With minimal of social protection, majority of older persons have to work until they are unable to do.
- Older women work as unpaid family workers.
- Life depends on informal transfers from families.
- Informal transfers unstable, regularity and the amount of transfer are questionable.
- Poverty rate declines but exceed the national poverty rate.

Poverty rates of older persons decline but higher than the national rates

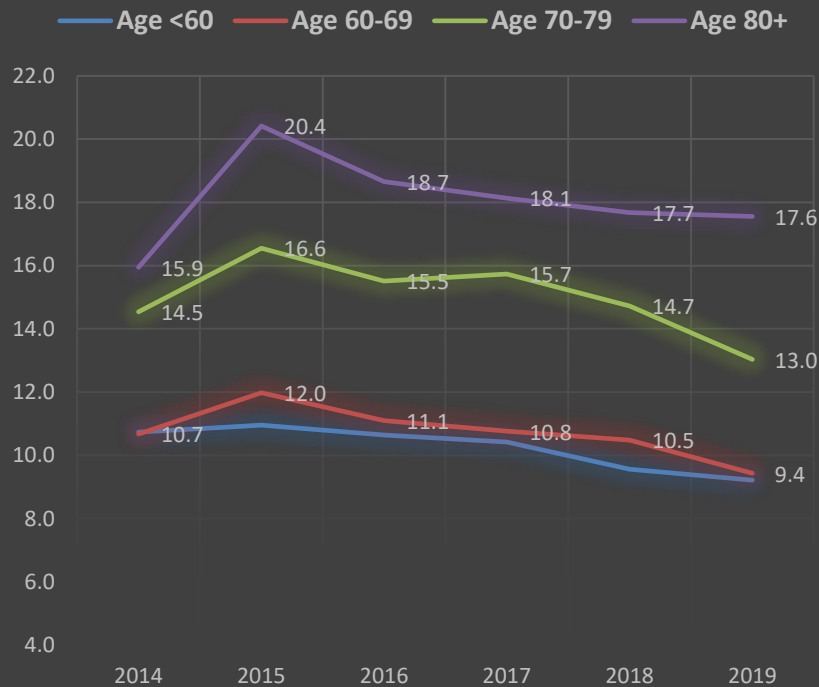
Poverty Rates Elderly are Higher than National rates, Susenas 2014-2019 (%)

— National — Elderly — Non elderly

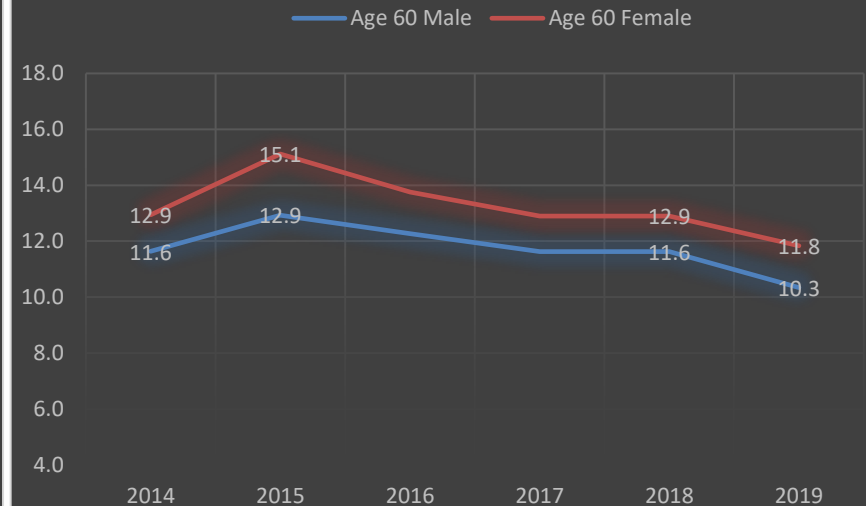


The Oldest Old and Older Women tend to be poorer than the younger and older men

The Oldest Old tend to be the Poorest



Poverty Rates Older Women are Higher than Older Men, Susenas 2014-2019



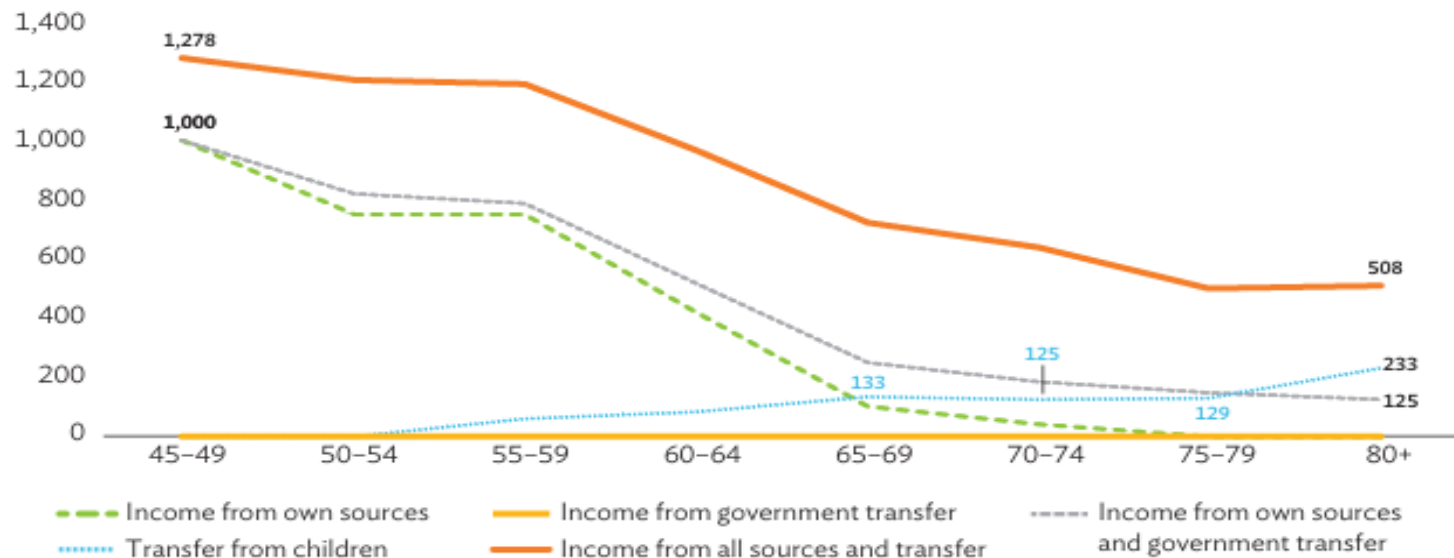
How do they live?

Older persons source of income

- The majority of Indonesian older persons live from family transfer (Supas 2015, ILAS 2023, ADB 2024).
- ILAS 2023, shows that 58% older persons live from own source (work, asset), 30 % from government transfers (pension, social assistant), 76 % from informal transfer.
- Susenas 2024: Main household expenses covered by members who work (83%), informal transfer (11%), pension (5 %) and only 0.28% from investment.
- Meaning that the current older persons unable to depend their lives from the result of their work.
- The Issue: if formal age of retirement is 58 years for civil servants and 55 years for the private sector workers, while expectancy of life increased to 74 years, they have to live with no income for 20 years.

How much do they earn? ILAS 2023

Figure 4.87: Annual Median Income and Transfers by Source and Age Group
(Rp '000)

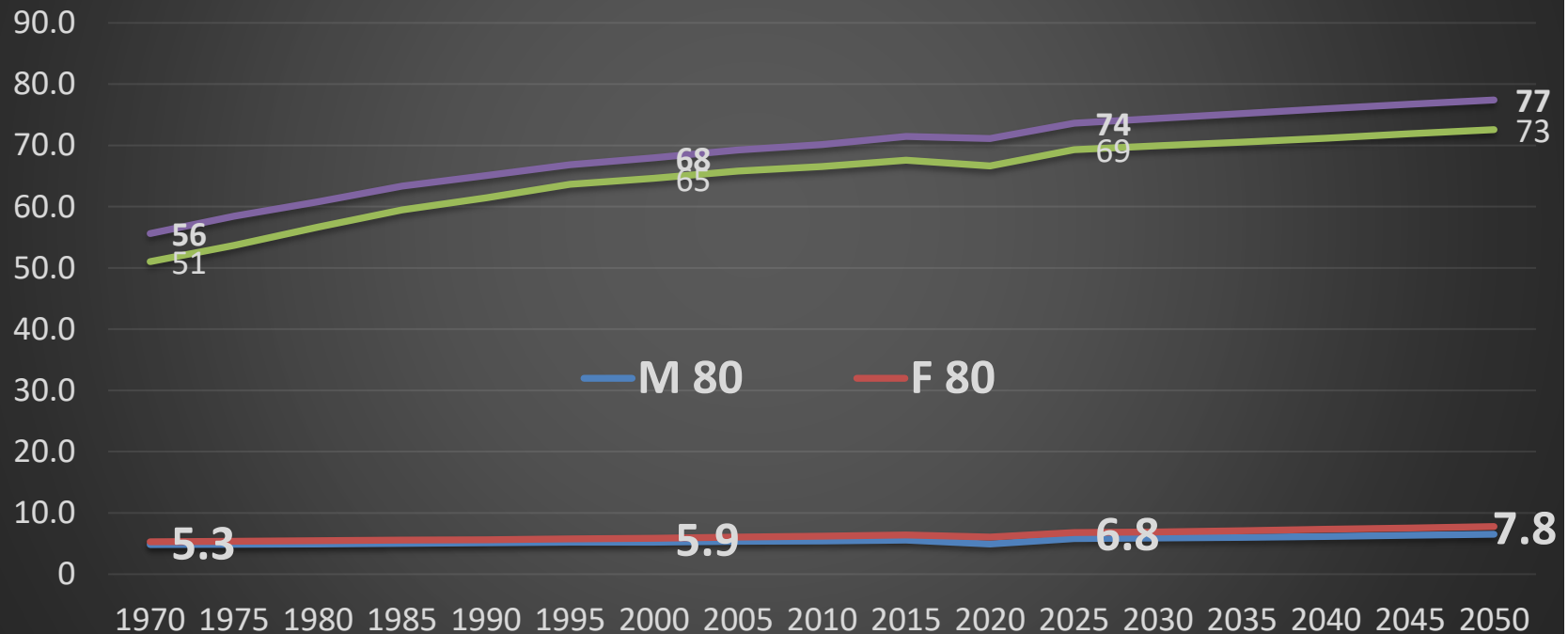


Income from own sources decline as age increases
Transfers from children increase as age increases
Needs inclusive social protection as the number of older persons increases

Health

Life Expectancy at Birth and number of years to spend after age 80 (5-8 more years). (WPP 2024)

Expectancy of Life at birth and at age 80, (WPP 2024)



Life Expectancy and Healthy Life Expectancy (HALE), Indonesia (WHO 2021)



- At Birth: Male 60.4, Female 70.2 and Both 68.8 years.
- At 60: Male will live for another 14.2 years and female 16.5 years.
- Years lost in healthy life: Male 6.5 years and female 8.7 years.
- Older women live longer but suffer more than men

NCD among older Indonesians, SKI 2023

No	Health Problem	Prevalence 2023 (doctor diagnosed)		
		55-64 years	65-74 years	75 + years
1	Hypertension (%)	18.7	23.8	26.7
2	DM (%)	6.6	6.7	4.8
3	Heart Disease (%)	2.65	4.05	4.6
4	Stroke (%)	2.36	3.54	4.13
5	Chronic Kidney Failure (%)	0.4	0.45	4.13
6	Asthma (%)	2.3	3.2	3.1
7	Cancer (%)	0.32	0.31	0.31

The majority of Older Persons are independent in ADL and IADL, ILAS

Figure 4.32: Independence in Performing Activities of Daily Living, Aged 60 and Older (%)

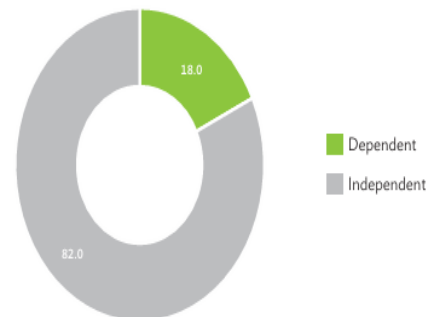
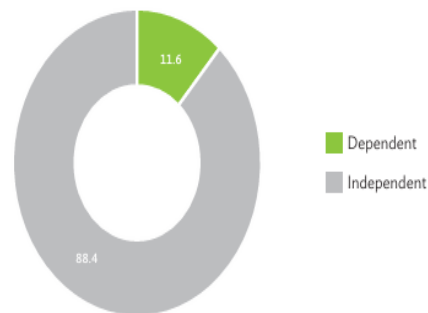
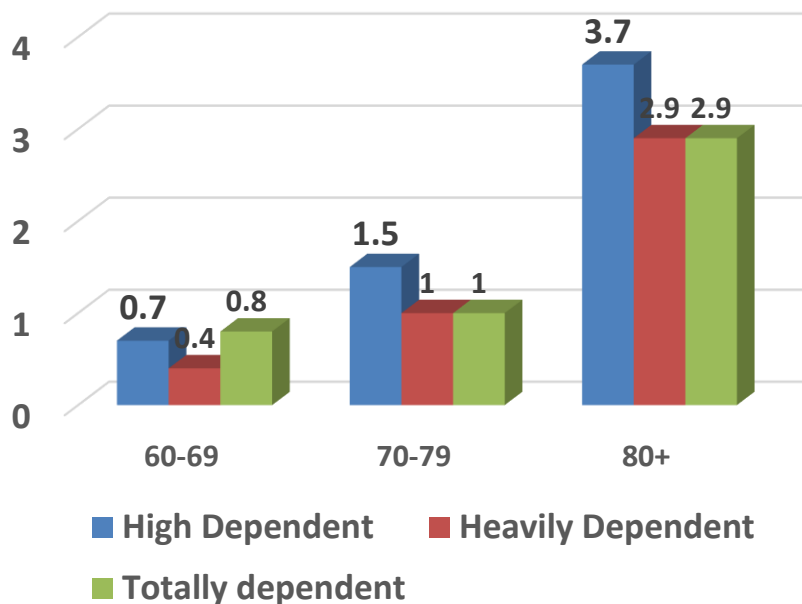


Figure 4.33: Independence in Performing Instrumental Activities of Daily Living, Aged 60 and Older (%)

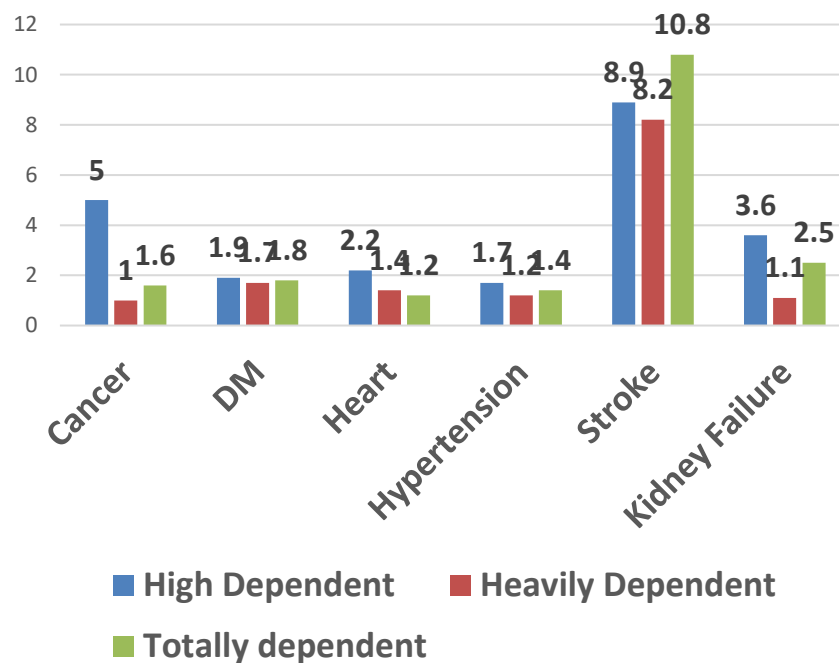


Dependency increases with age. Stroke is the most determinant.

Prevalence (%) and degree of dependency among Older persons (SKI 2023)



Degree of Dependency by Reason SKI 2023



Disability increases by age. Mostly due to Difficulty in Walking, Memory and Visual Impairment

Figure 4.34: Prevalence of Disability Based on the Washington Group's Threshold Recommendations by Age Group (%)

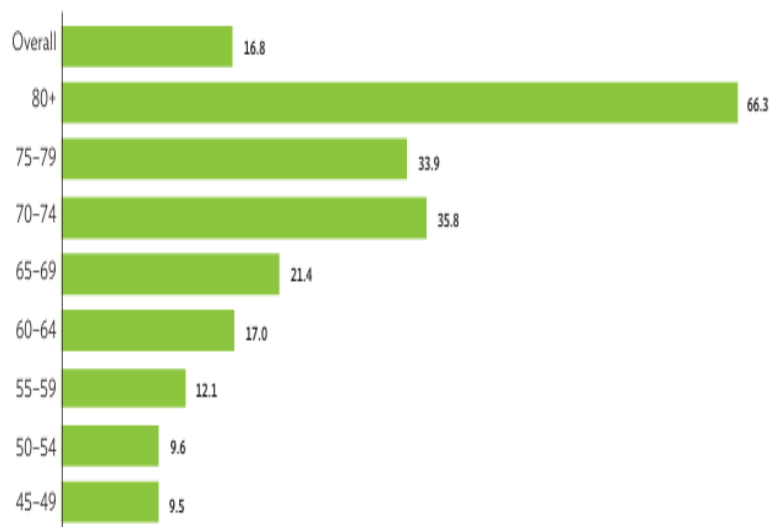
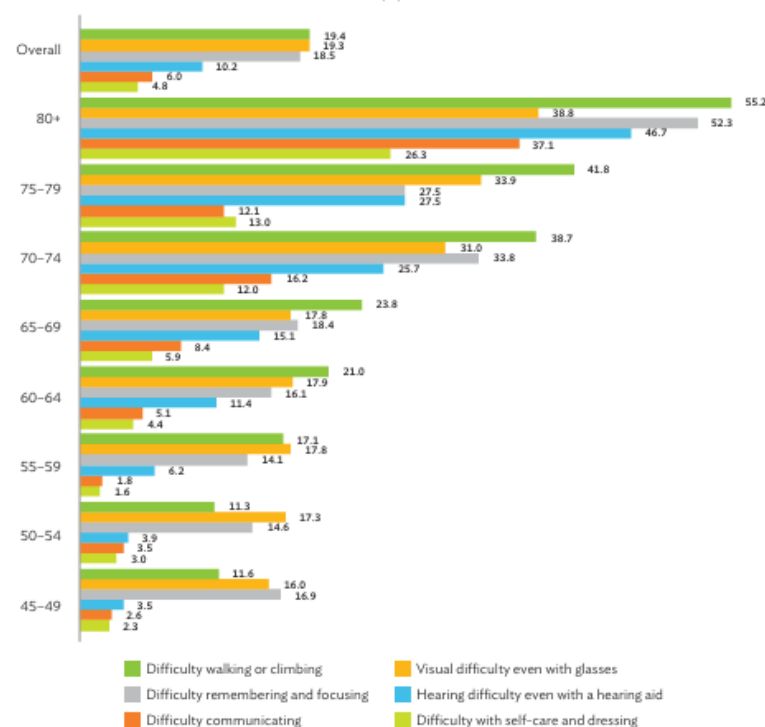


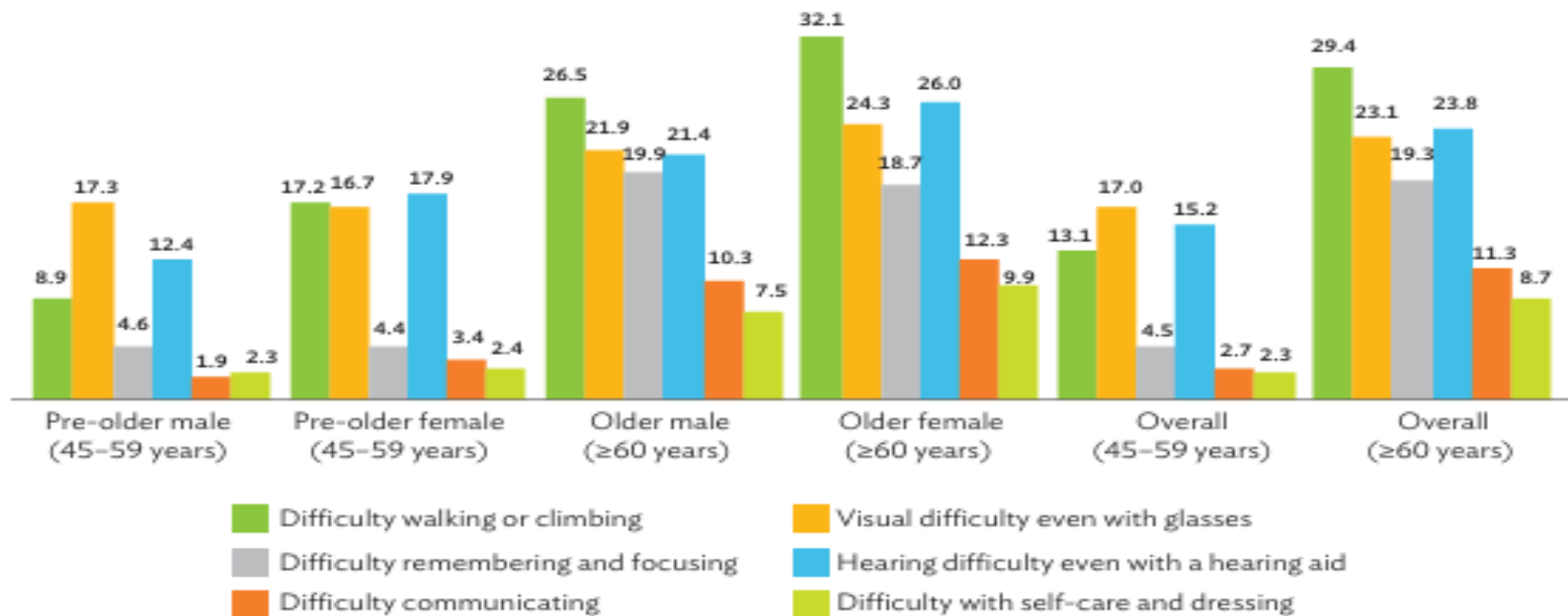
Figure 4.36: Disabilities According to the Washington Scale by Age Group (%)



**ILAS/ Indonesia Longitudinal Ageing Survey
2023**

Higher percentage of older women suffer from disability especially in walking and hearing, ILAS 2023

Figure 4.37: Disabilities According to the Washington Scale by Age Group and Gender (%)



Based on SIS screening, 30% of older persons suffer from cognitive impairment which increases with age

Figure 4.30: Cognitive Impairment by Age Group (%)

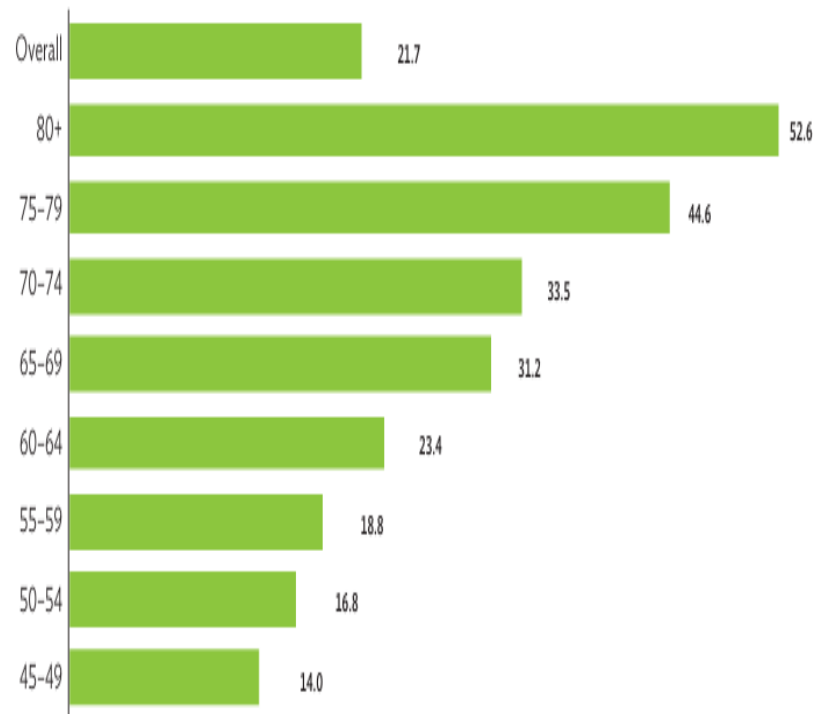
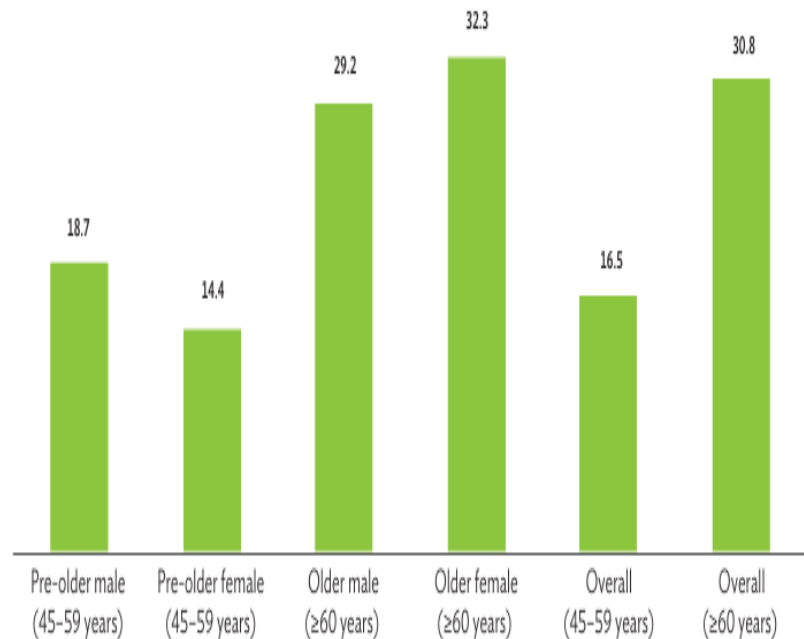
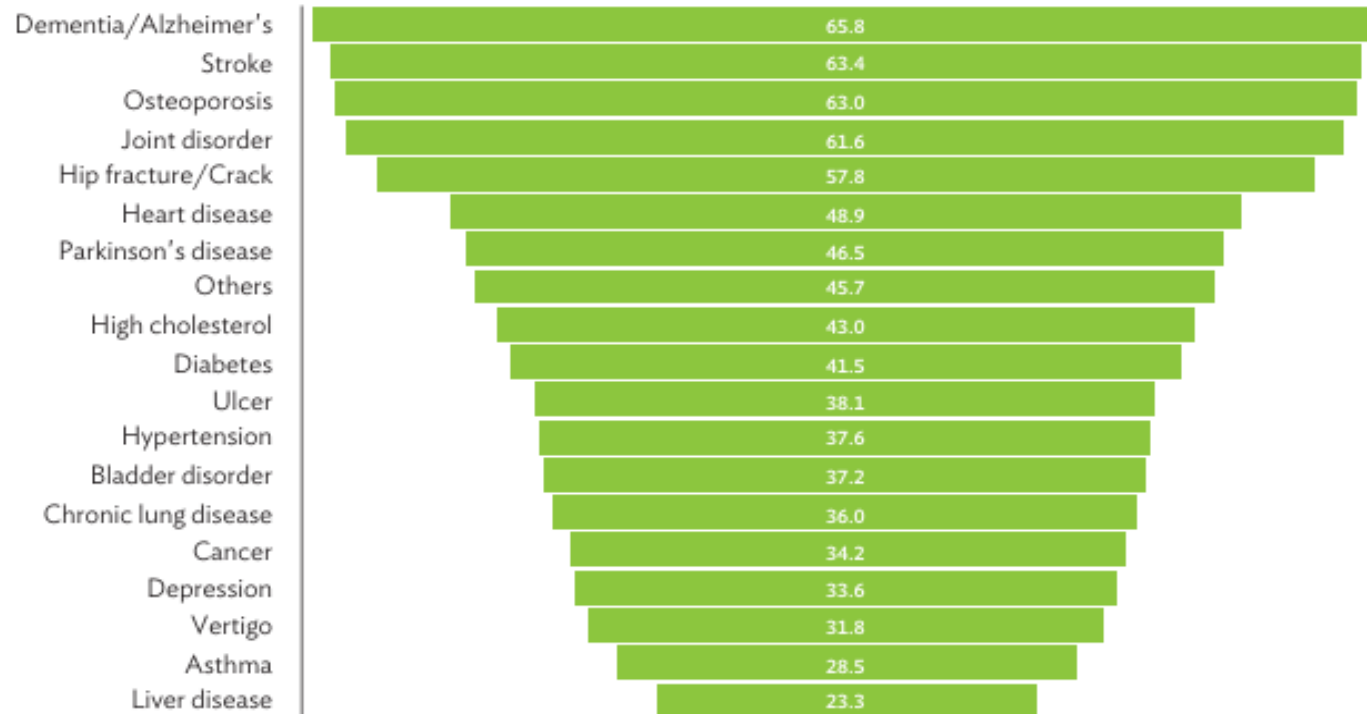


Figure 4.31: Cognitive Impairment by Age Group and Gender (%)



Further Findings from ILAS 2023

Figure 4.13: Patients with Functional Limitations in Daily Activities by Disease (%)



Note: Others include allergies (weather, dust, cold, proteins, seafood), anemia, gallstones, kidney stones, dengue fever, kidney failure, epilepsy, thyroid gland, goiter, glaucoma, cataracts, meningitis, bone fracture, lupus, typhoid fever, pinched nerve, tuberculosis, hypotension, sinusitis, bone dislocation, concussion, menopausal symptoms, herpes, blood disorders, lymph nodes, total paralysis, uterine fibroids, uterine wall thickening, and tetanus.

The Need For Long-term Care/ LTC (ILAS 2023)

Figure 6.32: Older Respondents with Long-Term Care Needs by Age Group (%)

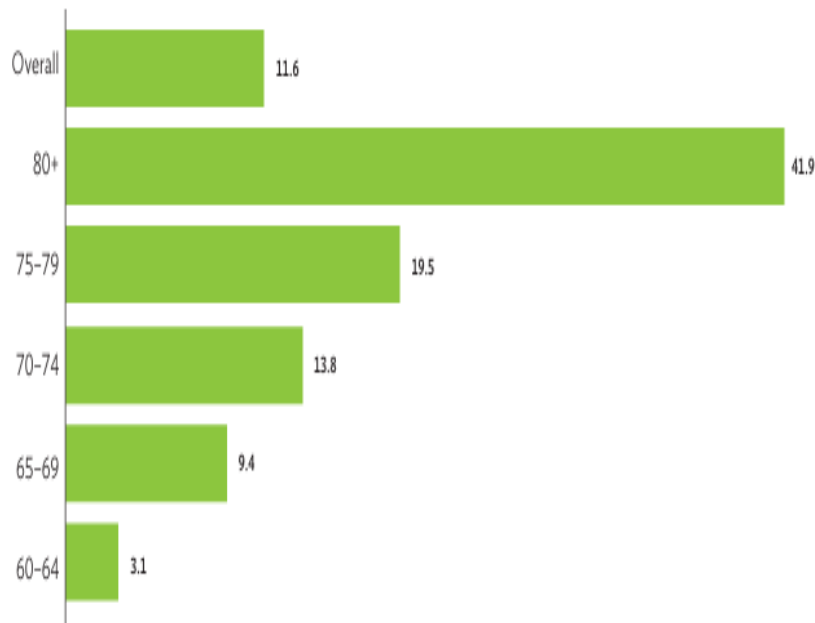
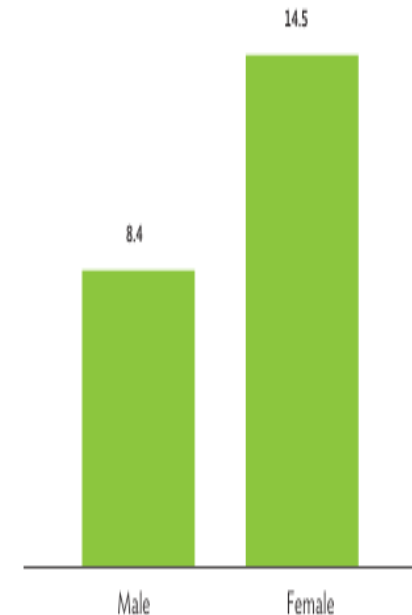


Figure 6.33: Older Respondents with Long-Term Care Needs by Gender (%)



Older women with functional difficulties 2x as much compared to older men who need Long-term Care (LTC)

WHO definition of LTC

- The activities undertaken **by others** to ensure that people with or at risk of a significant ongoing loss of intrinsic capacity can maintain a level of functional ability consistent with their basic rights, fundamental freedoms and human dignity.
- To ensure that older people with a significant loss of capacity can still experience Healthy Ageing.
 - Optimizing the recipient's trajectory of intrinsic capacity
 - Compensating for a loss of capacity by providing the environmental support and care necessary to maintain functional ability at a level that ensure well-being

Who are the Caregivers for LTC?

- Around the world, caregivers mostly are women unpaid (Informal caregivers). WHO 2015.
- Mostly from families: IFLS 2017, ILAS 2023, SKI 2023
- Many of the caregivers are compelled to leave their employment to care for their beloved elderly. Many of them have never worked.
- How will they live if they are old and need for caring?

The profile of informal caregivers

- LTC for older persons is mostly conducted by families:
- IFLS 2017:
 - biological children (42% son, 48.9 daughters), grandchildren (8.7% male, 18% female), 15.5% by spouse,
- SKI 2023:
 - 80.8% by close family, 1.3% skilled caregivers, 0.3% professional caregivers, 4.7% no caregivers.
- ILAS 2023
 - Daughters 31.5%, son 21.7%, spouse 29,3%,daughter in laws 4.7%, son in laws 1.9%, other family 8.1%

Living Arrangements and Family Relationships

- Living arrangements are a key predictor of subjective well-being and mental health in older adults.
- Household arrangement can affect their health, social engagement, and isolation
- It is crucial to understand the implications of living arrangements for older adults
- Living alone → depression
- Living with a spouse significantly benefits older adults' mental well-being, while widowhood is linked to increased depression risk
- Living with one's children also boosted psychological health in older parents

Living arrangement and the potential for caregivers' availability

- Series data from Susenas (BPS 2014-2024) shows that older persons' living arrangement is stable, especially for those living with their children and those who live three generations with children, in laws and grand children (34% and 35%) in 2024.
- But a large number of older women live alone (9-15%), with spouse (who tend to be old) about 20%
- These last two model of living arrangement should cause for concern among policy makers.

What if in the future household size keep on shrinking?

- Currently living arrangement is stable and can be seen as the potential availability of caregivers.
- But we need to be prepared for the future if number of children per women continuously decline.
- This is shown from BPS data, that Household size is declining. From 4,9 persons in 1980, decline to 3,7 in 2021 and to 3,5 in 2025. Household size is shrinking.
- Government is to be responsible in developing integrated care for older persons including institutions, cost of caring (medical, non medical and cost of caring) and the quality of life of the caregivers.

Older Persons Health Cover

Almost all of older persons are covered by social health insurance, although the contribution of more than half is paid by the Government (BPS 2024)

	Social Health Insurance non contributory (PBI)	Social Health Insurance contributory (Non PBI)	Local Govt Social Health Insurance (Jamkesda)	Private Health Insurance
Total	62.3	35.1	1.8	1.3
Age				
60-69	62.9	34.3	1.8	1.2
70-79	60.9	36.1	1.6	1.7
80+	61.8	36.2	n.a	n.a

So what? Lots of works

- Mitigating the current vulnerable older persons with income security, social pension, expanding health cover, building scenarios of long-term care and who is responsible to pay?
- Focus on ageing preparedness, through expanding formal employment for the pre-retirement, develop pension scheme that is suitable for the workers and the employers.
- Promoting healthy life behavior since early life, through life course approach to promote healthy and active ageing in later life.

Thank You

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For Q&A related to ILAS 2923

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